

## **Historic, Archive Document**

Do not assume content reflects current  
scientific knowledge, policies, or practices.



Reserve

A280.12

Ex82

UNITED STATES  
DEPARTMENT OF AGRICULTURE  
LIBRARY



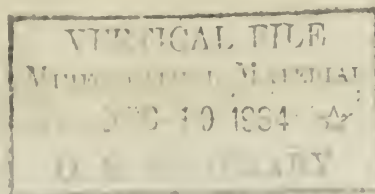
Reserve

BOOK NUMBER

A280.12

874461

Ex82



EXTENSION HANDBOOK OF ECONOMIC INFORMATION

in relation to the

GENERAL AGRICULTURAL SITUATION

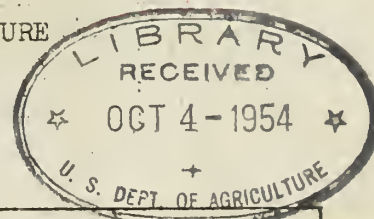
Prepared by

P. V. Kepner and L. M. Vaughan

Agricultural Economics Extension,  
Division of Cooperative Extension, and  
Bureau of Agricultural Economics, cooperating.

500

UNITED STATES DEPARTMENT OF AGRICULTURE



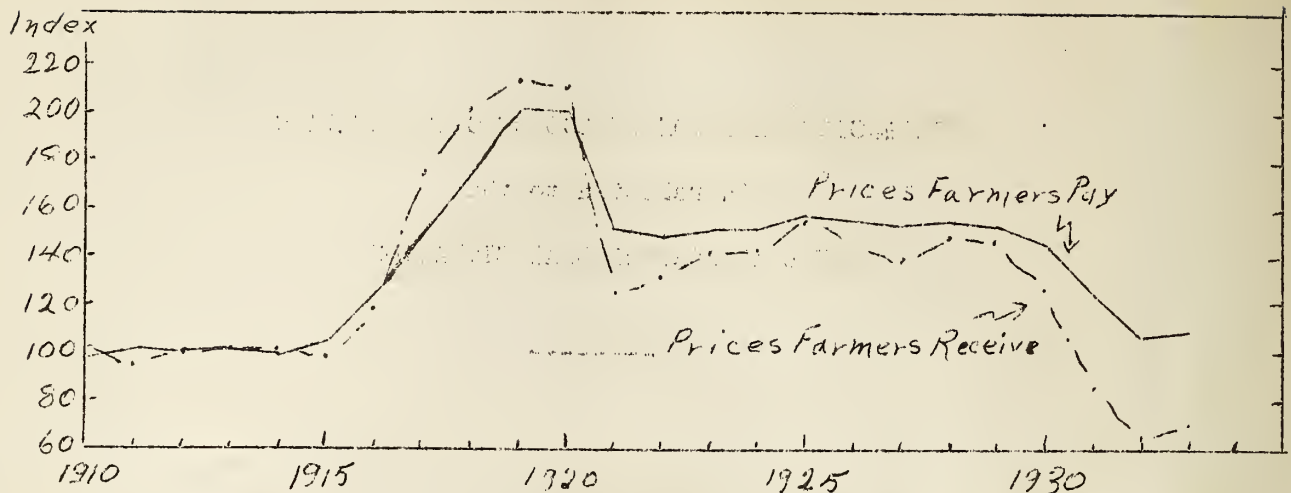
References for current data

- Reference 1: Agriculture Yearbook (U.S.D.A.).
- Reference 2: Crops and Markets (U.S.D.A. monthly).
- Reference 3: The Agricultural Situation (B.A.E. monthly).
- Reference 4: Average Prices Received by Farmers (B.A.E. monthly).
- Reference 5: Market Reviews and Statistical Summaries of  
Livestock, Meats, and Wool (B.A.E. weekly).
- Reference 6: Foreign Crops and Markets (B.A.E. weekly).
- Reference 7: World Wheat Prospects (B.A.E. monthly).
- Reference 8: Survey of Current Business (U.S. Department of Commerce  
monthly).

The appropriate reference numbers appear at the heading of each table indicating the source of current information.

FOR USE OF STATE EXTENSION SPECIALISTS

# PRICES FARMERS PAY AND RECEIVE



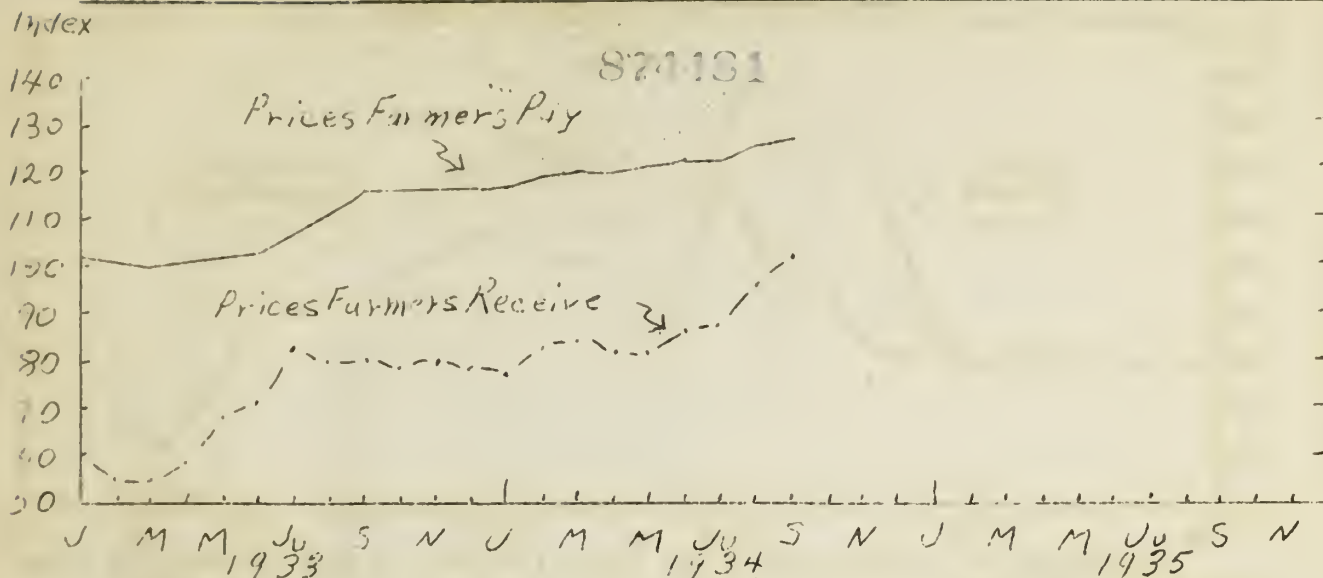
In periods of rapidly rising prices, the prices which farmers receive rise faster and go higher than do the prices which farmers pay. Conversely, in periods of generally declining prices, the prices which farmers receive decline more rapidly and farther than do the prices which farmers pay. Prices farmers receive have been relatively lower than prices farmers pay since 1921.

## Reference 4

Index of prices - August 1909 - July 1914 = 100								
Year	Farmers: pay 1/	Farmers: receive: (total):	Grains:	Cotton: and Cot- tonseed:	Fruits:	Truck: crops	Meat: animals	Chickens and eggs
1910	98	102	104	113	101	103	99	104
1911	101	95	96	101	102	87	95	91
1912	100	100	106	87	94	95	102	100
1913	101	101	92	97	107	108	105	101
1914	100	101	102	85	91	112	102	106
1915	105	98	120	77	82	104	103	101
1916	124	118	126	119	100	120	109	116
1917	149	175	217	187	118	174	135	155
1918	176	202	227	245	172	203	163	186
1919	202	213	233	247	178	207	186	209
1920	201	211	232	248	191	174	198	223
1921	152	125	112	101	157	109	156	162
1922	149	132	106	156	174	114	143	141
1923	152	142	113	216	137	107	159	146
1924	152	143	129	212	125	150	149	149
1925	157	156	157	177	172	153	153	163
1926	155	145	131	122	138	143	152	159
1927	153	139	128	128	144	121	140	144
1928	155	149	130	152	176	159	151	153
1929	153	146	120	144	141	149	156	162
1930	145	126	100	102	162	140	133	129
1931	124	87	63	63	98	117	92	100
1932	107	65	44	47	82	102	63	82
1933	109	70	62	64	74	104	60	75
1934								
1935								



- 2 -  
PRICES FARMERS PAY AND RECEIVE



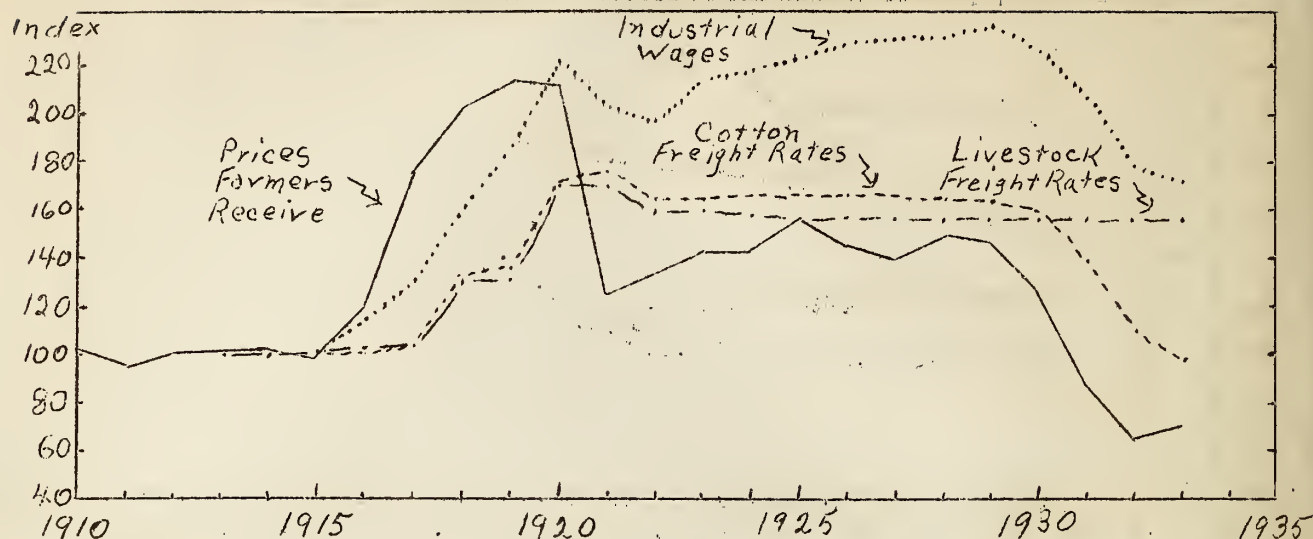
From March 1933 to September 1934 prices received by farmers advanced 80 percent while the prices farmers paid advanced only 26 percent.

Reference 4												
Indexes of prices - -	: (1910 - 14 = 100)					1933			(1910 - 14 = 100)			
	: Jan.:	: Feb.:	: Mar.:	: Apr.:	: May:	: June:	: July:	: Aug.:	: Sept.:	: Oct.:	: Nov.:	: Dec.:
Farmers pay	102	101	100	101	102	103	107	112	116	116	116	116
Farmers receive	60	55	55	53	62	71	83	79	80	78	80	78
Grains	35	34	36	47	63	63	94	81	78	69	75	73
Cotton and seed	45	44	43	49	65	69	84	71	69	71	76	77
Fruits	70	64	65	69	74	86	81	74	73	77	70	74
Truck crops	91	90	92	74	89	111	102	95	147	123	127	114
Meat animals	51	53	56	57	65	66	66	64	62	64	59	52
Dairy products	81	74	71	72	78	80	88	85	89	91	92	88
Chickens and eggs	95	60	56	53	65	58	69	69	78	93	102	94

1934												
Farmers pay	117	119	120	120	121	122	122	125	126			
Farmers receive	77	83	84	82	82	86	87	96	102			
Grains	76	79	79	77	78	89	91	106	112			
Cotton and seed	82	93	94	94	90	94	99	107	110			
Fruits	86	87	97	96	110	137	113	101	93			
Truck crops	102	101	79	98	89	80	102	108				
Meat animals	55	65	66	64	64	64	66	68	82			
Dairy products	84	92	95	91	91	93	94	97	99			
Chickens and eggs	82	73	74	72	72	72	76	86	104			

1935												
Farmers pay												
Farmers receive												
Grains												
Cotton and seed												
Fruits												
Truck crops												
Meat animals												
Dairy products												
Chickens and eggs												

# FARM PRICES AND COSTS OF DISTRIBUTION



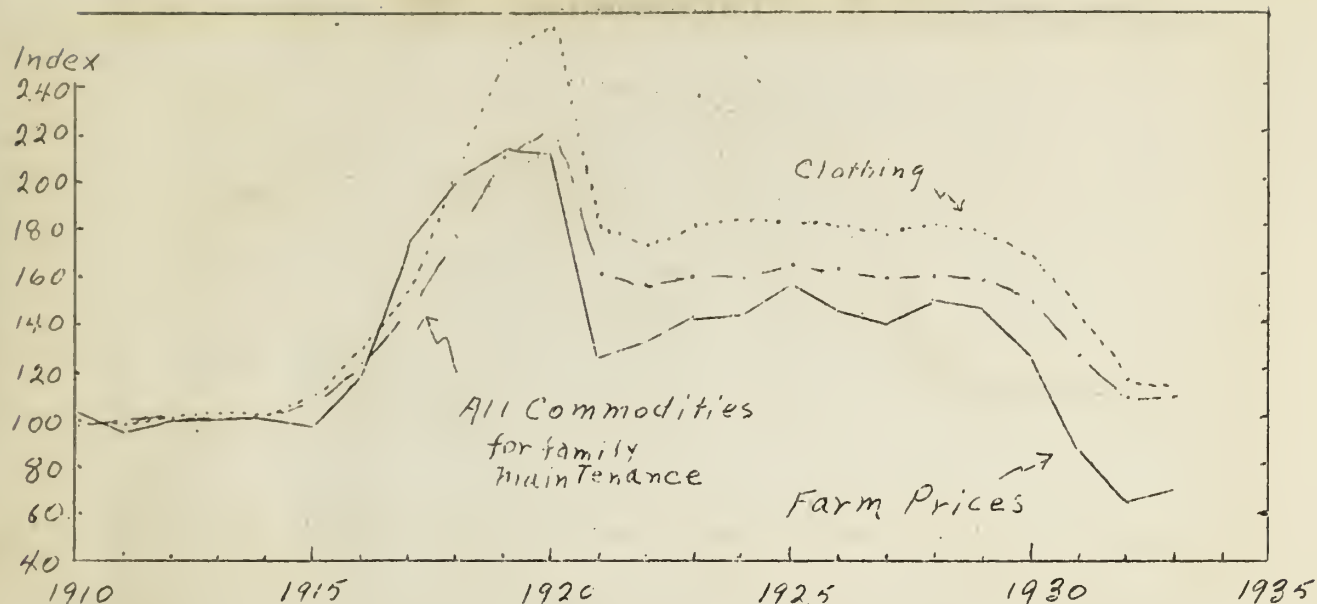
In periods of falling prices the costs involved in the marketing of farm produce decline slowly.

Reference :	3	:	B.A.E. 1/	:	3
:		:	Indexes of --	:	
:	Prices farmers	:	Freight rates on --	:	Industrial
:	receive.	:	Livestock : Wheat : Cotton	:	wages
:	:Aug.1909-Ju.1914=100:	:	1913 = 100	:	:June 1914=100
1910	102		---		---
1911	95		---		---
1912	100		---		---
1913	101		100		100
1914	101		100		100
1915	98		101		101
1916	118		102		114
1917	175		103		129
1918	202		130		160
1919	213		131		185
1920	211		170		222
1921	125		170		203
1922	132		160		197
1923	142		160		214
1924	143		158		218
1925	156		157		223
1926	145		157		229
1927	139		157		231
1928	149		156		232
1929	146		156		236
1930	126		156		226
1931	87		156		207
1932	65		156		178
1933	70		156		171
1934					
1935					

1/ Index Numbers of Prices Received by Farmers for Farm Products, 1910 to 1934, as revised 1934.  
9147



# FARM PRICES AND COST OF LIVING



Prices of commodities used for family maintenance have declined much less than the prices received by farmers, primarily because of the slowness of change in the costs of distribution. (See page 3.)

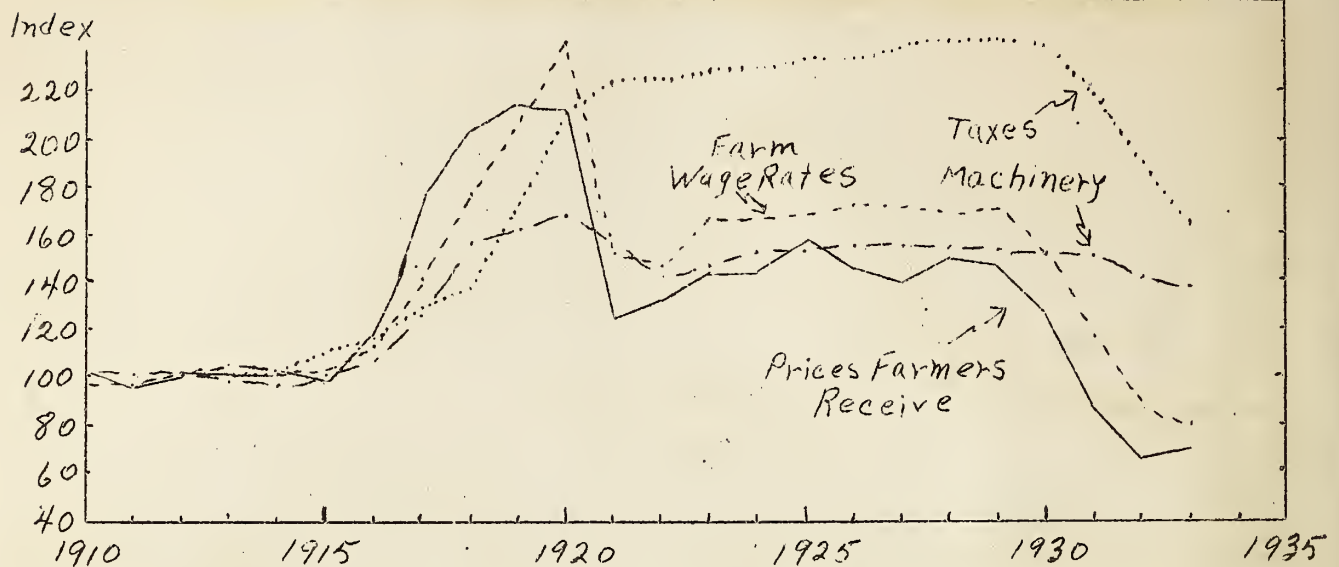
## Reference 4

:Index of:Indexes:of prices paid for commodities bought for family maintenance  
: Farm : : : Furniture :Operating:Building :All commodities  
Year : prices : Food : Clothing : and : expenses:materials: used for  
: : : : ; furnishings: : for : family  
: : : : : : house : maintenance

1910 - 14 = 100

Year	Farm prices	Food	Clothing	Furniture and furnishings	Operating expenses	Building materials for house	All commodities used for family maintenance
1910	102	95	98	102	101	101	98
1911	95	99	98	100	105	103	100
1912	100	100	101	100	102	104	101
1913	101	99	102	100	96	100	100
1914	101	107	102	97	95	93	102
1915	98	110	110	100	98	100	107
1916	118	126	130	116	115	114	124
1917	175	154	155	144	123	133	147
1918	202	174	207	185	138	160	177
1919	213	208	253	200	144	201	210
1920	211	207	264	229	186	212	222
1921	125	140	180	198	148	158	161
1922	132	141	173	182	142	165	156
1923	142	150	180	192	132	168	160
1924	143	143	183	196	125	168	159
1925	156	159	182	197	129	172	164
1926	145	155	180	193	133	172	162
1927	139	152	177	192	131	172	159
1928	149	153	181	189	123	169	160
1929	146	149	177	188	127	170	158
1930	126	137	167	179	122	166	148
1931	87	109	142	153	110	149	126
1932	65	90	115	128	103	134	103
1933	70	95	114	126	102	138	109
1934							
1935							

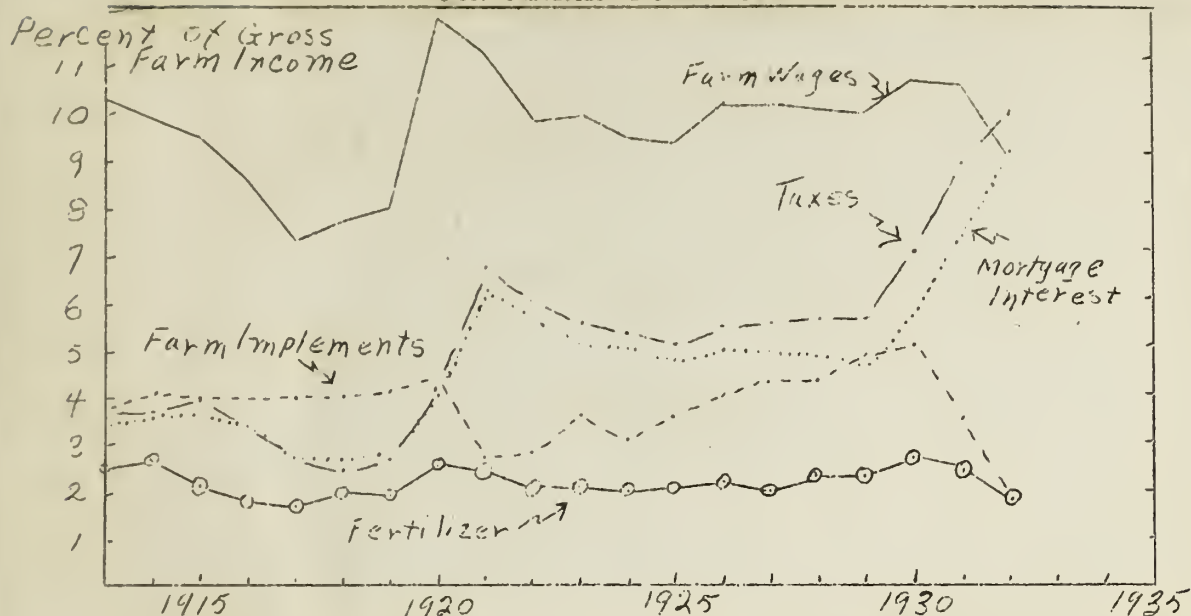
FARM PRICES AND COSTS OF PRODUCTION  
1910-14=100



Production costs are thrown out of adjustment with the returns from production in periods of declining prices, largely because of the less flexible character of many of these costs.

Reference:	4	:	4	:	4	:	4	:	4	:	3	:	3
	Indexes of prices farmers pay for --												Indexes of --
Year :	prices :	Commodities:	Farm :	Building :	Farm :	Taxes on	farmers :	used in :	machinery:	materials:	Fertilizer :	wages :	real
:	receive :	production :	:	:	:	:	:	:	:	:	:	rates :	estate
	1910-14=100												1913=100
1910	102	98	102	100	99	97	--						
1911	95	103	101	102	99	97	--						
1912	100	98	102	103	100	101	--						
1913	101	102	93	101	102	104	100						
1914	101	99	96	93	100	101	101						
1915	98	104	100	102	112	102	110						
1916	118	124	107	117	120	112	116						
1917	175	151	126	137	137	140	129						
1918	202	174	155	161	170	176	137						
1919	213	192	161	189	182	206	172						
1920	211	174	167	205	186	239	209						
1921	125	141	156	156	156	150	223						
1922	132	139	142	159	129	146	224						
1923	142	141	146	161	126	166	228						
1924	143	143	152	161	120	166	228						
1925	156	147	153	164	129	168	232						
1926	145	146	154	162	126	171	232						
1927	139	145	154	160	121	170	238						
1928	149	148	154	158	131	169	239						
1929	146	147	153	159	130	170	241						
1930	126	140	152	155	126	152	238						
1931	87	122	150	139	115	116	218						
1932	65	107	141	126	99	86	189						
1933	70	108	137	129	96	80	163						
1934													
1935													

THE PERCENTAGE OF THE GROSS FARM INCOME REQUIRED  
FOR CERTAIN FARM EXPENSES

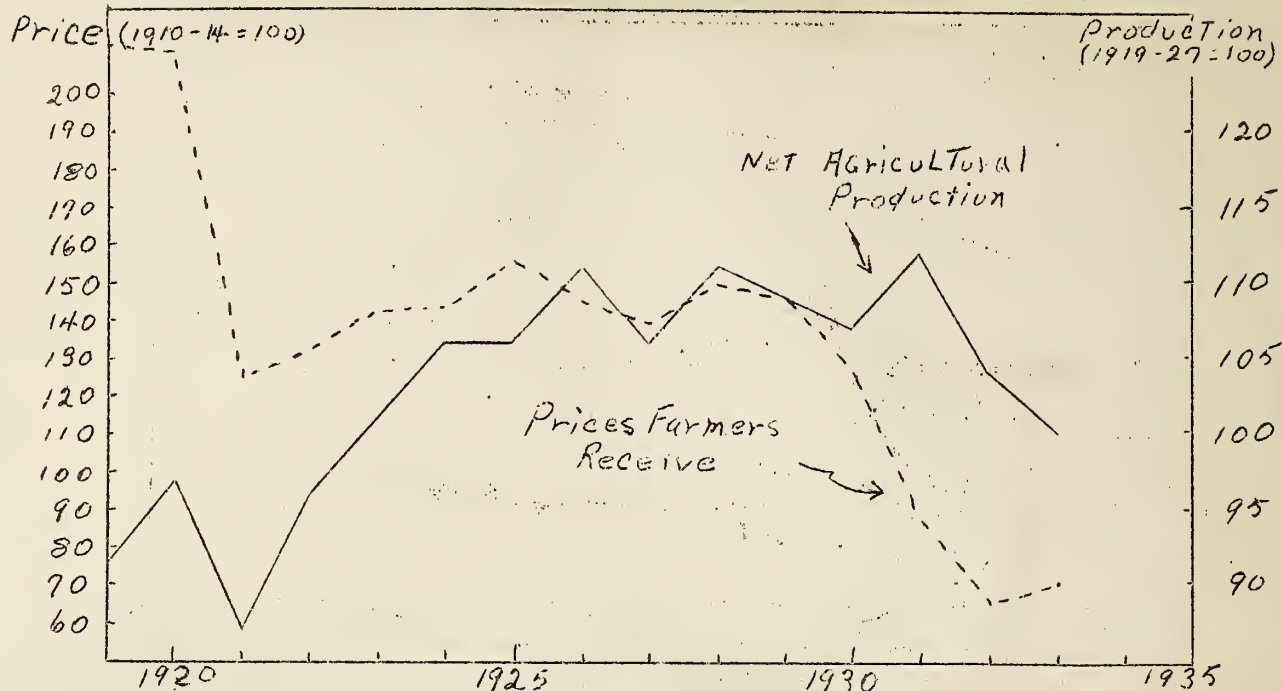


The increasing percentage of the total farm income required to meet farm taxes and mortgage interest necessitates a reduction in other production expenditures.

Reference:	1 or 2	:	Computed	:	:	:	:	:
:	:	Cash	:	:	:	:	:	:
:	Gross	income	:	Percentage of gross income expended for --	:	:	:	:
Year	farm 1/	less	:	:	:	:	:	Total
:	income	production	:	Taxes	Interest on	Farm im-	Fertil-	Wages
:	:	expenses	:	:	mortgages	plements	izer	:
:	:	:	:	:	:	:	:	of 5
:	:	:	:	:	:	:	:	items
	Million dollars							
1913	6,975	-----	:	3.7	3.4	3.8	2.5	10.3
1914	7,028	-----	:	3.7	3.6	4.1	2.7	9.9
1915	7,395	-----	:	3.9	3.6	4.0	3.1	9.5
1916	8,914	-----	:	3.4	3.4	4.0	1.8	8.6
1917	12,832	-----	:	2.7	2.7	4.0	1.7	7.3
1918	15,101	-----	:	2.4	2.7	4.0	2.0	7.7
1919	16,935	-----	:	2.7	2.8	4.1	1.9	8.0
1920	13,566	-----	:	4.2	4.0	4.4	3.6	12.0
1921	8,927	-----	:	6.7	6.2	2.7	2.4	11.3
1922	9,944	-----	:	6.0	5.7	2.8	2.1	9.8
1923	11,041	-----	:	5.5	5.1	3.6	2.1	9.9
1924	11,337	4,949	:	5.3	5.0	3.1	2.0	9.4
1925	11,968	5,062	:	5.1	4.7	3.6	3.1	9.3
1926	11,480	4,552	:	5.4	4.9	4.0	2.2	10.1
1927	11,616	4,808	:	5.5	4.9	4.3	2.0	10.1
1928	11,741	4,644	:	5.6	4.8	4.3	2.3	10.0
1929	11,941	4,876	:	5.6	4.6	4.8	2.3	9.9
1930	9,454	3,218	:	7.0	5.7	5.1	2.7	10.6
1931	6,968	2,074	:	8.8	7.3	3.5	2.5	10.5
1932	5,331	1,463	:	9.9	9.1	1.8	1.8	8.9
1933	6,256	2,525	:					
1934								
1935								

1/ Gross farm income averaged 18 percent greater than gross cash farm income for the years 1924-1933 inclusive. Percentages computed from estimates of expenditures reported in reference 1.

# NET AGRICULTURAL PRODUCTION AND PRICES FARMERS RECEIVE



The volume of agricultural production was fairly stable from 1924 to 1932 but showed some decline in 1933. Farm prices, following the drastic decline of 1920 and 1921, were fairly stable until 1929 and then declined over 50 percent from 1929 to 1932. Farm prices experienced some recovery in 1933 and gained 7.7 percent during that year over the 1932 average.

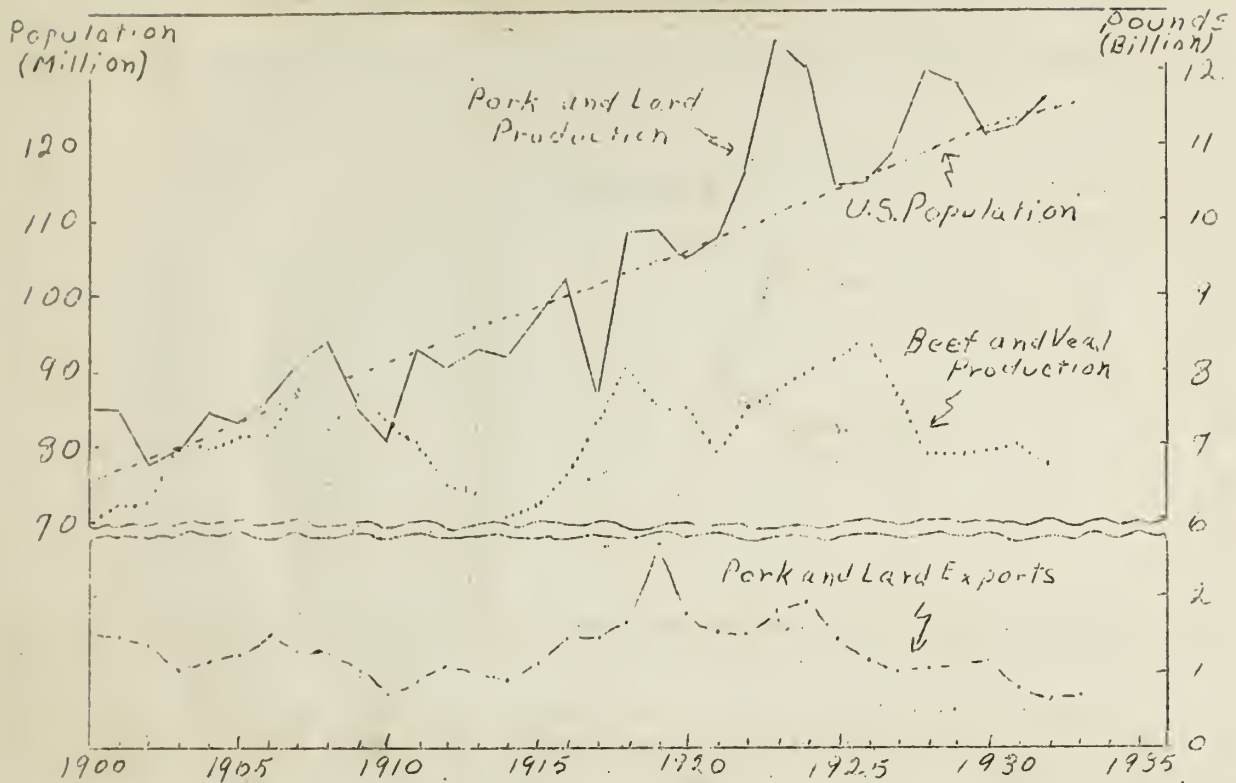
Reference:		::	---	:	:	1	:	4	:	1 or 2
		::	:	:	:	Indexes of --		:	:	:
		::	:	:	:	Net agri-	:	Prices	:	Gross
Year	U. S.	::	Year	U. S.	:	cultural	:	farmers	:	farm
	popula-	::		popula-	:	produc-	:	receive	:	income
	tion 1/	::		tion 1/	:	tion 2/	:	3/	:	
	Million	::		Million						Million dollars
1900	75.5	::	1918	102.9	--			202		15,101
1901	76.9	::	1919	104.3	91			213		16,935
1902	78.6	::	1920	105.7	97			211		13,566
1903	80.2	::	1921	107.4	87			125		8,927
1904	81.8	::	1922	109.0	96			132		9,944
1905	83.4	::	1923	110.8	101			142		11,041
1906	85.0	::	1924	112.4	106			143		11,337
1907	86.6	::	1925	114.0	106			156		11,968
1908	88.3	::	1926	115.7	111			145		11,480
1909	89.9	::	1927	117.4	106			139		11,616
1910	91.5	::	1928	119.0	111			149		11,741
1911	93.0	::	1929	120.7	109			146		11,941
1912	94.4	::	1930	122.4	107			126		9,454
1913	95.8	::	1931	123.6	112			87		6,968
1914	97.2	::	1932	124.4	104			65		5,331
1915	98.6	::	1933	125.2	100			70		6,256
1916	100.0	::	1934							
1917	101.5	::	1935							

1/ Yearly estimates by Scripps Foundation, Miami University, Oxford, Ohio.

2/ 1919-27=100. 3/ August 1909-July 1914=100.



TRENDS IN UNITED STATES POPULATION, PRODUCTION OF MEATS,  
AND PORK AND LARD EXPORTS



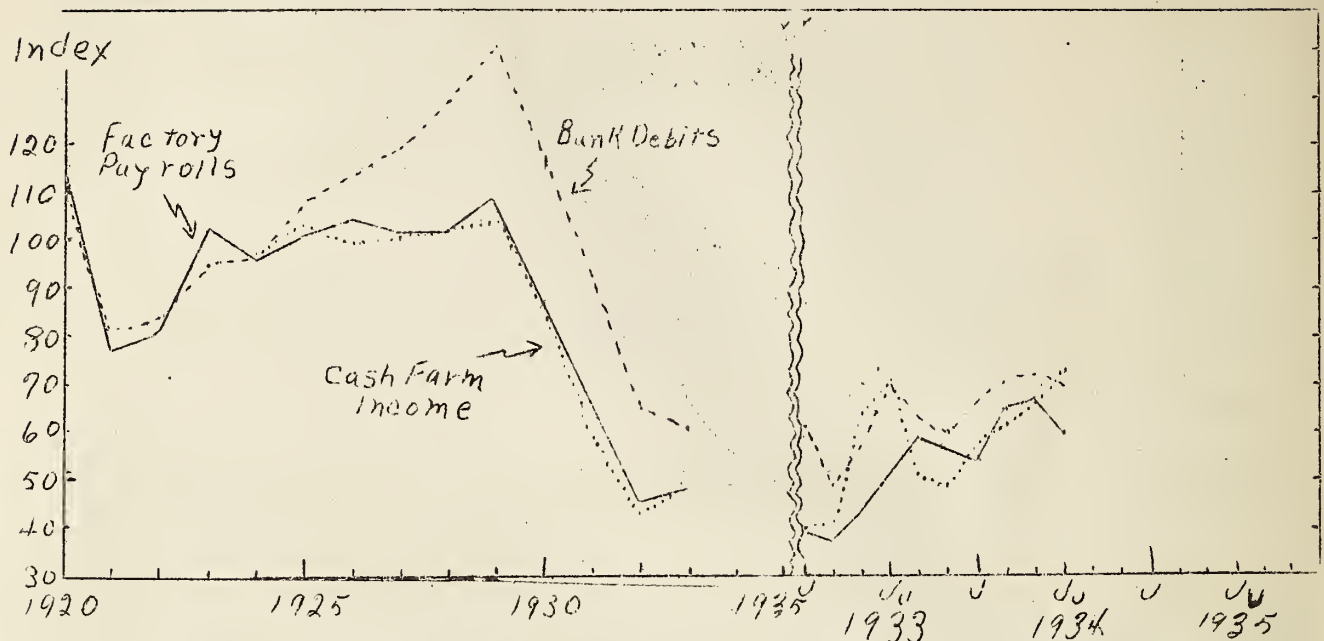
Reference: 1 or 2 : 6 : --- : 1 or 2 : 6										
: Production 1/				: Exports:	: Production 1/				: Exports:	
: Beef : Lamb : Pork				: Pork	: Beef : Lamb : Pork				: Pork	
Year	and	and	and	: and	Year	and	and	and	: and	
: veal : mutton : lard 2/				: lard	: mutton : lard 2/				: lard	
:				:	:				:	
Million pounds					:	Million pounds				
1900	5959	517	7529	1544	::	1918	8043	493	9837	1692
1901	6224	538	7509	1468	::	1919	7561	603	9871	2705
1902	6268	561	6773	1341	::	1920	7510	532	9511	1763
1903	7073	582	6961	1045	::	1921	6910	626	9759	1522
1904	6973	564	7463	1149	::	1922	7498	535	10617	1516
1905	7135	545	7299	1222	::	1923	7735	571	12378	1795
1906	7175	555	7620	1467	::	1924	7990	589	12025	1934
1907	7781	530	8110	1270	::	1925	8147	599	10478	1400
1908	7215	559	8407	1239	::	1926	8418	643	10505	1173
1909	7669	603	7528	1055	::	1927	7693	645	10839	1013
1910	7335	599	7083	708	::	1928	6896	671	11981	1046
1911	7063	732	8269	880	::	1929	6381	699	11821	1112
1912	6486	779	8033	1074	::	1930	6909	820	11153	1139
1913	6372	731	8303	986	::	1931	6992	878	11292	791
1914	6049	712	8187	923	::	1932	6745	895	11643	680
1915	6206	622	8746	1108	::	1933				701
1916	6610	608	9235	1463	::	1934				
1917	7302	473	7696	1502	::	1935				

1/ Data subject to revision.

2/ Includes total pork, lard, and neutral lard.



- 9 -  
FACTORY PAY ROLLS, CASH FARM INCOME, AND BANK DEBITS  
OUTSIDE NEW YORK CITY



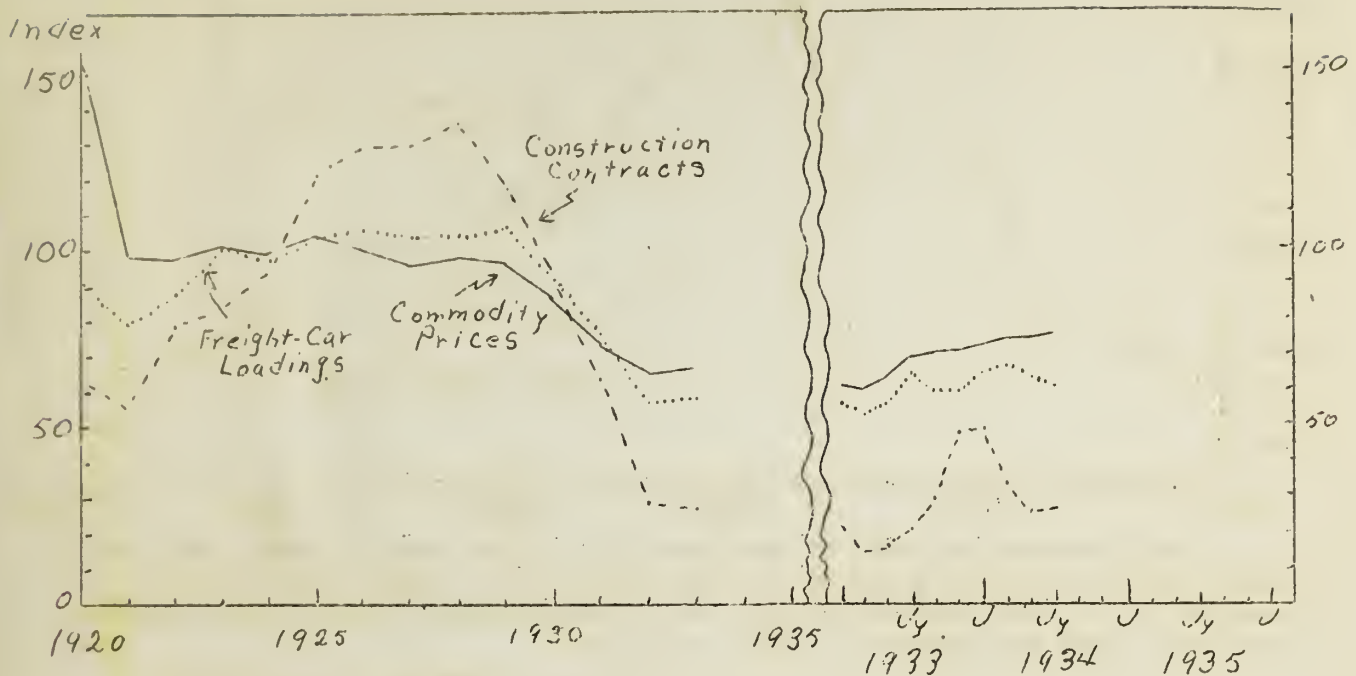
Consumer purchasing power, as represented by cash farm income and factory pay rolls, followed almost identical downward courses from 1929 until early in 1933. Since March 1933 both indexes indicate a decided increase in consumer purchasing power.

Index numbers (1923 = 100)													
Reference:	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932
Factory emp. (8):	108	82	90	104	96	100	101	99	97	101	88	74	62
Factory pay (8):	118	77	81	103	96	101	104	102	102	108	87	66	45
Bank debits (8):	112	81	84	95	96	108	114	119	129	140	117	92	65
Cash fm. inc. (3):	Computed :			1/	97	103	99	100	102	104	84	59	43
1933	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ave.
Factory emp. (8):	59	59	57	58	63	67	72	76	78	78	76	75	66
Factory pay (8):	39	40	37	39	43	47	51	57	59	59	56	54	48
Bank debits (8):	61	53	49	54	58	66	70	63	62	66	60	67	61
Cash fm. inc. (3):	40	35	41	52	64	64	71	50	51	50	49	42	49
1934													
Factory emp. (8):	75	78	81	82	82	81	79						
Factory pay (8):	54	61	65	67	67	65	60						
Bank debits (8):	67	60	71	72	72	75	70						
Cash fm. inc. (3):	57	57	62	65	66	66	73						
1935													
Factory emp. (8):													
Factory pay (8):													
Bank debits (8):													
Cash fm. inc. (3):													

1/ Cash farm income - yearly and monthly averages 1924-25 (million dollars)  
: 258:728: 672: 593: 664: 662: 684: 826:1066:1226:1050:1025:10,054

1/ Index of cash farm income computed by dividing current annual or monthly cash income figure by the figure for corresponding period in base years 1924-25.

COMMODITY PRICES AND BUSINESS ACTIVITY  
(1923 - 1925 = 100)



Construction contracts awarded, an indication of the activity in one of the largest fields of industrial employment, have declined in volume each year since 1928 and have been abnormally low since 1930. The rapid rise in the volume of public works contracts awarded from August to November 1933 accounts for the rapid rise in the total construction index for that period.

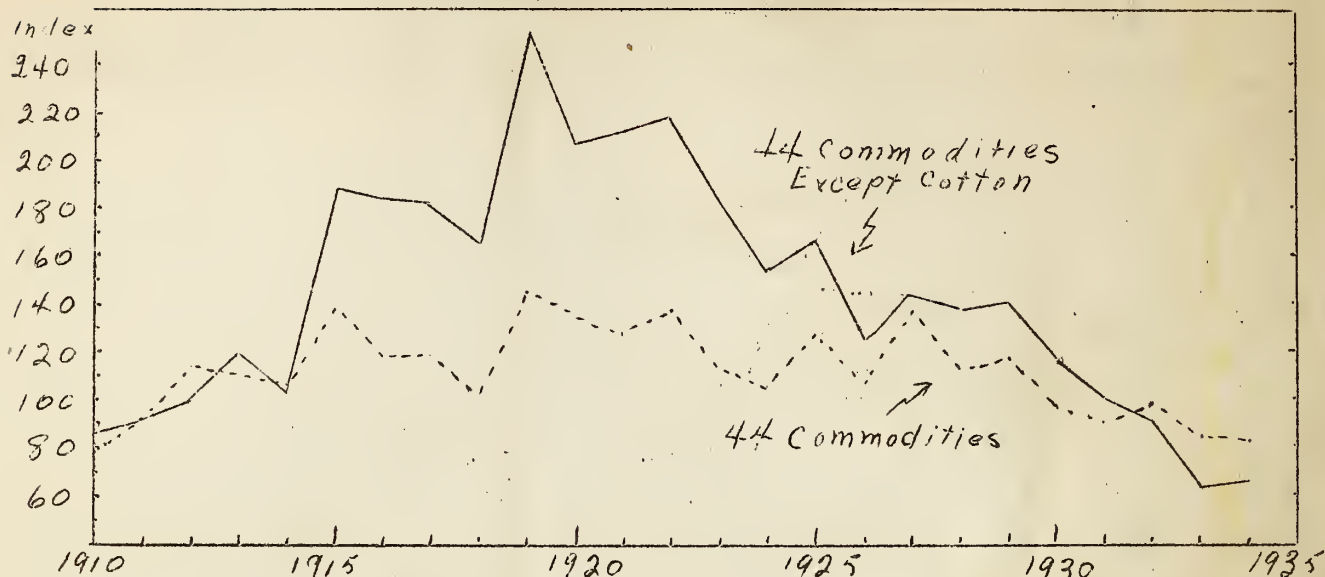
INDEXES OF INDUSTRIAL PRODUCTION, CONSTRUCTION CONTRACTS,  
FREIGHT-CAR LOADINGS, AND COMMODITY PRICES (1923 - 25 = 100)  
(Reference 8)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932
Ind. prod.	87	67	85	101	95	104	108	106	111	119	96	81	64
Const. cont.	63	56	79	84	94	122	129	129	135	117	92	63	28
F'r't.car l'd's.	91	79	87	100	97	103	106	103	103	106	92	75	56
Comm. prices 1/	154	98	97	101	98	104	100	95	97	95	86	73	65
1933	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ave.
Ind. prod. 2/	65	63	60	66	78	92	99	91	84	76	72	75	76
Const. cont. 2/	22	19	14	14	16	18	21	24	30	37	48	58	27
F'r't.car l'd's. 2/	56	54	50	53	56	60	65	61	60	58	60	62	58
Comm. prices 1/	61	60	60	60	63	65	69	70	71	71	71	71	66
1934	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ave.
Ind. prod. 2/	73	81	84	85	86	83	75	73					
Const. cont. 2/	49	44	33	32	26	26	27	27					
F'r't.car l'd's. 2/	64	64	66	62	63	64	61	59					
Comm. prices 1/	72	74	74	73	74	75	75	76					
1935	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ave.
Ind. prod. 2/													
Const. cont. 2/													
F'r't.car l'd's. 2/													
Comm. prices 1/													

1/ 1926 = 100.

2/ Federal Reserve Board. Monthly figures adjusted for seasonal variation.

INDEXES OF QUANTITIES OF AGRICULTURAL EXPORTS



The volume of exports of the principal agricultural commodities reached a peak shortly after the close of the war and for the 4-year period 1919-22 averaged one third greater than for the pre-war period. Agricultural exports have been below the pre-war average since 1929.

(Reference 1)

Year :	:Grains and:	Cattle :	:	:	:	:44 Comm.:	:
ending :Cotton:	grain	:and meat:	Dairy	Fruits	Tobacco:	except	: 44 Commod-
June 30:	: products	:products:	products:	:	:	: cotton :	ities
1909-10 to 1913-14 = 100							
1910	73	82	91	58	76	91	78
1911	91	85	104	93	89	90	92
1912	125	78	115	126	101	97	114
1913	103	143	97	120	136	107	110
1914	108	112	92	103	98	114	106
1915	99	301	126	302	119	89	138
1916	70	237	164	479	109	113	118
1917	70	217	164	716	101	105	118
1918	53	179	197	975	63	74	101
1919	63	272	267	1,287	111	160	145
1920	80	218	185	1,275	122	165	134
1921	64	329	154	524	108	129	127
1922	76	317	153	571	105	118	137
1923	59	246	169	406	121	116	112
1924	67	143	179	451	214	152	104
1925	95	225	140	396	184	110	126
1926	93	117	114	327	211	137	106
1927	131	188	98	288	301	132	136
1928	92	188	98	263	258	125	112
1929	99	174	102	243	372	144	117
1930	82	130	104	221	216	153	97
1931	81	104	74	190	337	150	90
1932	103	104	63	123	305	110	98
1933	100	40	63	74	255	102	85
1934	97	34	65	72	248	120	83
1935							
9147							





